

AN ACT

RELATING TO REGIONAL HOUSING; AMENDING THE REGIONAL HOUSING LAW TO CHANGE A CERTAIN DEFINITION AND TO ALLOW BONDS TO BE SOLD AT NEGOTIATED SALES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 11-3A-3 NMSA 1978 (being Laws 1994, Chapter 132, Section 3, as amended) is amended to read:

"11-3A-3. DEFINITIONS.--As used in the Regional Housing Law:

A. "authority" means any regional housing authority or a nonprofit corporation created by an authority;

B. "bond" means any bond, note, interim certificate, debenture or other obligation issued by an authority pursuant to the Regional Housing Law;

C. "federal government" includes the United States of America, programs of the United States department of housing and urban development, the farmers home administration and rural development administration of the United States department of agriculture or housing programs or any other agency or instrumentality, corporate or otherwise, of the United States of America;

D. "housing project" means an undertaking of an authority to:

- (1) demolish, clear or remove buildings from
- HB 154  
Page 1

any slum area. The undertaking may embrace the adaptation of the area to public purposes, including parks or other recreational or community purposes; or

(2) provide decent, safe and sanitary dwellings, apartments, single-family dwellings or other living accommodations for low-income persons. The undertaking may include buildings, land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water service, parks, site preparation or gardening or administrative, community, health, recreational, welfare or other purposes. "Housing project" also may be applied to the planning of buildings and improvements, acquisition of property or existing structures, demolition of existing structures, construction, reconstruction, alteration and repair of improvements or buildings or any other work performed to complete housing projects;

E. "local public body" means any county, municipality, commission, district or other subdivision of the state;

F. "low-income person" means:

(1) an individual, couple or family who lacks the amount of income that is necessary, as determined by rule of the authority, to enable that individual, couple or family, without financial assistance, to live in decent, safe

and sanitary dwellings without overcrowding; or

(2) a low-income person as defined by the federal government;

G. "obligee" means:

(1) a holder of bonds issued pursuant to the Regional Housing Law or a trustee for that bondholder;

(2) a lessor leasing to an authority property used in connection with a housing project or any assignee of a lessor's interest or partial interest; or

(3) the federal government when it is a party to a contract with an authority in regard to a housing project;

H. "real property" includes all lands, including improvements and fixtures on the land, property of any nature appurtenant to or used in connection with the land and every estate, interest and right, legal or equitable, in the land, including terms for years and liens by way of judgment, mortgage or other instrument and the indebtedness secured by the lien; and

I. "slum" means any area where dwellings predominate, which by reason of dilapidation, overcrowding, lack of ventilation, light or sanitary facilities or any combination of these factors are detrimental to safety, health or morals."

Chapter 132, Section 15, as amended) is amended to read:

"11-3A-15. FORM AND SALE OF BONDS--INTEREST ON CERTAIN OBLIGATIONS.--

A. Bonds of an authority issued pursuant to the provisions of the Regional Housing Law shall be authorized by a resolution of the regional authority's board. The resolution, its trust indenture or the bonds to be issued shall set forth with regard to the bonds the date of issuance, the date of maturity, the rates of interest that the bonds will bear, the denominations, the form, either coupon or registered, the conversion or registration privileges, the rank or priority, the manner of execution, the medium and place of repayment and the terms of redemption, with or without premiums.

B. Obligations issued by an authority that are true loan obligations made to the farmers home administration of the United States department of agriculture or the department of housing and urban development may bear interest at a rate of interest not exceeding par.

C. The bonds shall be sold at not less than par at a negotiated or public sale. If sold at a public sale, the sale shall be held after notice published once at least five days prior to the sale in a newspaper having a general circulation in the authority; provided that the bonds may be sold to the federal government at private sale at not less

than par, and, in the event fewer than all of the bonds authorized in connection with any housing project are sold to the federal government, the balance of the bonds may be sold at private sale at not less than par at an interest cost to the authority that does not exceed the interest cost to the authority of the portion of the bonds sold to the federal government.

D. If an officer of an authority or any of its instrumentalities whose signature appears on bonds issued pursuant to the Regional Housing Law ceases to hold that office before the delivery of the bonds, the signature shall, nevertheless, be valid and sufficient for all purposes the same as if the officer had remained in office until delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to the Regional Housing Law shall be fully negotiable.

E. In any suit, action or proceedings involving the validity or enforceability of any bond of an authority or the security for the bonds, any bond reciting in substance that it has been issued by the authority to aid in financing a housing project to provide dwelling accommodations for low-income persons shall be conclusively deemed to have been issued for a housing project of that character, and the housing project shall be conclusively deemed to have been planned, located and constructed in accordance with the

purposes and provisions of the Regional Housing Law."                     

Page 6

HB 154